VZCZCXRO6254 OO RUEHCN RUEHGH RUEHMJ RUEHPB DE RUEHIN #0174/01 0240146 ZNY CCCCC ZZH O 240146Z JAN 07 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 3835 INFO RUEHBJ/AMEMBASSY BEIJING 6265 RUEHBY/AMEMBASSY CANBERRA 4435 RUEHMJ/AMEMBASSY MAJURO 0013 RUEHPB/AMEMBASSY PORT MORESBY 0059 RUEHUL/AMEMBASSY SEOUL 8416 RUEHSV/AMEMBASSY SUVA 0036 RUEHKO/AMEMBASSY TOKYO 8424 RUEHWL/AMEMBASSY WELLINGTON 1700 RUEHCN/AMCONSUL CHENGDU 1646 RUEHGZ/AMCONSUL GUANGZHOU 9935 RUEHHK/AMCONSUL HONG KONG 7494 RUEHGH/AMCONSUL SHANGHAI 0755 RUEHSH/AMCONSUL SHENYANG 5616 RHHMUNA/USPACOM HONOLULU HI RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000174

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TAGS: PREL EAID AS NZ BP FJ CH TW

SUBJECT: TAIWAN FOREIGN MINISTER ON FIJI AND SOLOMON ISLANDS

REF: STATE 07966

Classified By: AIT Director Stephen M. Young. Reason(s): 1.4 (B/D)

- 11. (C REL AUS) Summary. The Director delivered reftel demarche on Fiji and Solomon Islands to Foreign Minister James Huang on January 23. Huang responded that Taiwan "suspended" its assistance to Fiji following the coup and has not been approached for assistance by the post-coup Fiji government. He expressed dismay at Australian concerns over Taiwan assistance to the Solomon Islands, arguing that Taiwan has provided much beneficial assistance to the Islands and that Taiwan had no choice but to respond positively to a request for police training from "an old ally." In response to DIR's earlier and repeated urging that Taiwan hold discussions with Australia on the Solomon Islands, Huang said Taiwan Vice Foreign Minister Chang Hsiao-yueh is scheduled to meet with her Australian counterpart in Canberra in early February. End Summary.
- 12. (C REL AUS) Director Young met with FM James Huang on January 23 to deliver reftel points on Fiji and Solomon Islands. Huang listened carefully to the points which, DIR noted, built on their discussion over lunch last week. It was particularly important, DIR stressed, that Taiwan follow its democratic values in its relations with Fiji and Solomon Islands and stay in close contact with Australia.

Fiji Aid on Hold

13. (C REL AUS) FM Huang told DIR that Taiwan had a number of assistance projects in Fiji before the coup, but these had all been suspended -- "not cut off," he emphasized, "just suspended" pending further review. DIR asked if the post-coup Fiji government had approached Taiwan for assistance or if Taiwan had proffered any assistance. Huang responded negatively to both questions.

Taiwan Assistance to Solomon Islands Misunderstood

- (C REL AUS) FM Huang took issue with reftel points on Taiwan activities in the Solomon Islands (SI). He protested the implication that Taiwan's activities "had anything to do with the riots" last year, insisting that Taiwan is "innocent." Australia, he charged, insists all other donors must implement their aid projects in SI according to Australian standards. Taiwan, however, has a number of grass roots projects that actively assist SI Members of Parliament to improve sanitary and medical conditions in their districts. Last year, he noted, Taiwan sent six mobile medical teams to SI and five other Pacific Island countries. The local people had been so grateful for the assistance that the governments requested these teams be sent twice yearly in the future. Explaining that Taiwan has no choice but to depend on local partners to implement much of its assistance, Huang surmised that in its SI projects Taiwan might have given its local implementing partners too much leeway. DIR responded that the U.S., too, often channels assistance through local partners, but maintains close oversight. Providing assistance, he stressed, brings responsibility; Taiwan aid must be closely monitored and should reflect Taiwan's values.
- 15. (C REL AUS) Huang was defensive on the charge that Taiwan has provided assistance to security forces in the Solomons Taiwan. Taiwan, he countered, is being treated unfairly. Australia does not understand the difficult situation in which Taiwan finds itself, in part because Premier Sogavare does not get along with Canberra. Taiwan is caught in the middle. When "our traditional ally" requests police training, how can Taiwan turn down the request? How would this affect Taiwan's relations with its ally?

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16. (C REL AUS) DIR stressed that Washington understands Taiwan has its own diplomatic difficulties, but urged Taiwan to maintain an open and close dialogue with Australia over SI, an area in which Australia has historical interests. Huang responded that Vice Foreign Minister Chang Hsiao-yueh will transit Australia in both directions on her trip to the Solomon Islands in early February and had requested a meeting with her Australian counterpart. Canberra, he said, responded positively and welcomed the proposal for a meeting on one leg of Chang's transit. He promised that Chang would brief AIT after her trip.

## Criticisms of Taiwan Unfair

- 17. (C REL AUS) FM Huang complained that Taiwan is being held to an unfair standard. When Chinese PM Wen Jiabao attended the South Pacific Economic Forum last year and offered USD 370 million in aid to South Pacific nations, Australia and New Zealand offered no criticism. DIR responded that he understood that Australia and New Zealand are, in fact, concerned over PRC assistance and have raised this with Beijing. At the same time, he acknowledged, we probably do expect more from Taiwan, a full democracy, than from the PRC, which turns a blind eye to these issues.
- 18. (C REL AUS) Australia, moreover, is a close friend of the U.S., DIR explained, and the two nations share similar views on nation building in the South Pacific. The U.S. supports the Regional Assistance Mission to Solomon Islands (RAMSI) and, thus, welcomes VFM Chang's meeting and exchange of views in Canberra.

## Comment

19. (C REL AUS) VFM Chang's stopover in Canberra to discuss SI issues is a welcome development and follow-up to DIR's lunch last week with FM Huang, at which time DIR urged that Taiwan should maintain close and open discussion on South Pacific issues with Australia. AIT will follow up with VFM

Chang after her return from Honiara and Canberra. YOUNG  $\,$